

PERMA-LINER INDUSTRIES, LLC
STANDARD TERMS & CONDITIONS OF SALE

1. **Agreement.** These Standard Terms & Conditions of Sale (these "Standard Terms") are the only terms and conditions pursuant to which PLI sells PLI Products to its Customers and these Standard Terms are incorporated in all Contracts entered into by PLI. If Customer objects to any of the provisions of these Standard Terms, Customer must bring such objection to the attention of PLI in a writing separate from any purchase order or other printed form of Customer, which shall be deemed to be proposals for different terms and conditions that may be accepted only in writing signed by an authorized representative of PLI. All orders are subject to the approval of PLI's credit department.
2. **Acceptance.** If Customer has not otherwise agreed to these Standard Terms, then Customer's acceptance of these Standard Terms shall take place at the earlier of delivery of Customer's written confirmation, Customer's order and delivery of PLI Products at Customer's worksite or location, or payment to PLI for PLI Products.
3. **Proposals.** Unless otherwise noted in PLI's Proposal, the Proposal shall lapse automatically upon the expiration of a thirty (30) day period after the date of its issue unless it has been previously accepted by Customer or revoked in writing by PLI.
4. **Plans, Drawing and Illustrations.** Proposal pages, catalogue illustrations and preliminary drawings are submitted only to show the general style, arrangement, approximate dimensions and weight of PLI Products. PLI reserves the right to make such changes of design, specification construction or arrangement as it deems necessary or appropriate without prior notice to Customer. PLI shall have no obligation to install or make such change in any PLI Products manufactured prior to the date of such change.
5. **Proprietary and Confidential Information.** The Proposal and all drawings, notebooks, operating data, specifications, and other information, data and material (whether orally disclosed, printed, handwritten, typed, numerically or computer generated, computer stored, or otherwise) furnished to Customer by either PLI or any of its subcontractors or sub-suppliers shall remain the proprietary and confidential property of PLI or the subcontractor or sub-supplier, respectively, and shall be used by Customer only with respect to the work covered by the Contract and shall not be used by Customer in connection with any other project. Such proprietary and confidential information and data shall not be shown or otherwise made available to any third party at any time without PLI's prior written consent. Neither Customer itself shall, nor shall Customer permit any third party to, reverse engineer, measure or otherwise technically examine or test PLI Products without PLI's prior written consent. Any such proprietary and confidential information which Customer determines must be disclosed to its employees shall only be disclosed to them on a need-to-know basis for the operation, maintenance, and repair of PLI Products provided under the Contract. Intellectual property (including, without limitation, patent) rights which may be obtained on the basis of the information given or made available to Customer under the Contract or with respect to PLI or PLI Products shall remain the exclusive property of PLI or its subcontractor and/or sub-supplier, respectively.
6. **Procedures.** Customer shall use, and shall train and require its employees to use and shall cause any end user to use, all safety devices, guards, and proper safe operating and maintenance procedures as prescribed by all applicable laws, rules, regulations, codes and standards and as set forth in operating and maintenance manuals and instruction sheets furnished by PLI in respect of PLI Products; provided, however, PLI shall have no obligation to so provide such procedures. Customer shall not, and shall cause any end user not to, (i) remove or modify any safety device, guard or warning sign; (ii) use PLI Products for any use or application not provided by the operating and maintenance manuals and instruction sheets furnished by PLI; or (iii) utilize any non-original replacement parts not specifically authorized in writing by PLI or make other changes in PLI Products without PLI's specific written authorization.
7. **Price and Payment.** The purchase price shall be paid in accordance with the Proposal. Any right to retain due payments or to set-off counterclaims shall be excluded unless any such claim or counterclaim of Customer is undisputed by PLI or has been determined by a final judgment of the competent court or arbitration panel. Any tax or other governmental charge now or thereafter levied upon the production, sale, use or shipment of PLI Products ordered or sold will be charged to and paid for by Customer. Such taxes are not included in PLI's price(s) unless expressly so stated in the Proposal. Whatever the means of payment used, payment shall not be deemed to have been effected before PLI's account has been fully and irrevocably credited. If Customer fails to pay the stipulated amount on the due date thereof, PLI shall be entitled to interest from the day on which payment was due. The rate of interest shall be one and one-half percent (1-1/2%) per month until the payment is made in full or, in the event such rate exceeds that permitted by applicable law, the maximum rate permitted by applicable law. Additionally, if PLI is required to expend costs and expenses in collecting any payments, Customer shall reimburse PLI for such costs of collection (including reasonable attorneys' fees). In case of late payment, PLI may suspend its performance of the Contract until it receives payment in full or may terminate the Contract upon the giving of notice required by the Contract documentation, if any. PLI's claim for compensation for the losses and damages it has incurred shall survive any such termination.
8. **Transportation.** Unless otherwise agreed to by PLI and Customer, all PLI Products shipped to domestic US locations are F.O.B. PLI's location. International shipments are FCA PLI location (INCOTERMS 2000). Carrier routing instructions shall be provided to PLI by Customer at least 48 hours prior to shipment. Shipments without Customer-specified routings shall be shipped by PLI's selected carriers. PLI Products on which manufacture or delivery is delayed due to any cause within Customer's control may be placed in storage by PLI, for Customer's account and risk, and regular charges and expenses in connection therewith shall be paid by Customer; provided, if, in PLI's sole opinion, it is unable to obtain or continue such storage, Customer will, on request, provide or arrange for suitable storage facilities and assume all costs and risks in connection therewith. When such delay is due to causes beyond control of either party, the matter of storage and the payment of charges therefore shall be negotiated in good faith.
9. **PLI's Remedies.** Without limiting any of PLI's rights or remedies pursuant to the Contract, in the event of a material deterioration of Customer's financial situation or in the event of the insolvency of Customer, PLI reserves the right to terminate the Contract as well as the right to stop delivery of any PLI Products and to resell the same. Such a right shall not restrict or otherwise impair PLI's remedies for damages in the event of Customer's breach. Should Customer fail to comply with the terms and conditions set forth herein, or if any writ or execution be levied on any of Customer's property, or a receiver be appointed, or if a petition in bankruptcy be filed by or against Customer, PLI may, upon election, demand the entire purchase price stated in any then-pending or open orders or purchases for PLI Products not yet paid in full by Customer or may, without notice or demand by process of law or otherwise, take possession of all or any of the PLI Products, wherever located, and retain all monies theretofore paid as compensation for the reasonable use of such PLI Products. If the Contract is breached and is placed in the hands of an attorney or collection agency for collection of any balance due or enforcement of any other of PLI's remedies, Customer agrees to pay all reasonable attorneys' fees and other fees and expenses involved therein paid or incurred by PLI. Customer hereby waives any and all claims, damages and demands against PLI arising out of the repossession, retention and repair as aforesaid. All rights and remedies contained herein are cumulative and not alternative. PLI reserves all other rights and remedies at law or equity available to it in the event of Customer's breach.
10. **Limited Warranty.** Those certain PLI limited warranties as in effect on the date hereof and applicable to the PLI Purchased by Customer are incorporated herein as if fully set forth herein. To the extent products or materials are not warranted by PLI, PLI shall cooperate in good faith with Customer to enable Customer the benefit of any manufacturer's warranty applicable to such products and materials, if any.
11. **PLI's Liability; Force Majeure.** Without limiting any other provision in these Standard Terms, PLI shall not be liable for delay or loss or damage of any kind resulting from: (i) Customer failing to supply any necessary technical data, as required; (ii) Customer failing to supply the apparatus, materials and services required; (iii) any changes in designs or specifications made subsequent to acceptance of the Proposal; (iv) failure of suppliers to furnish purchased material or goods within scheduled dates; (v) by any other reason beyond PLI's control; or (vi) any delay caused by late payments by Customer. Further, PLI shall not be liable for any loss or damage from delay in completion or delivery of any PLI Products as a result of causes of any kind beyond the reasonable control of PLI, including, but not limited to, strikes or other labor difficulties, war, riots, changes in laws and regulations and other acts of governmental authorities, inclement weather, fire, flood or unavoidable casualties, any delays in

transportation of materials, or PLI's inability to obtain timely delivery of materials from suppliers. In the event of any such delay, PLI will notify Customer within a reasonable time after PLI becomes aware of such cause of delay and it is agreed that the time for delivery or completion shall be extended for a period of time at least equal to the time lost by reason of the delay.

12. **Standards and Tolerances.** All PLI Product dimensions and published information are subject to change without notice. All PLI Products furnished to Customer shall also be subject to tolerances and variations consistent with usages of the trade concerning dimensions, composition and mechanical properties and normal variations in performance characteristics and quality.
13. **General Provisions.** Customer may not assign the Contract or its rights or delegate its duties pursuant to the Contract (including these Standard Terms) without the prior written consent of PLI. Any such assignment by Customer, without such consent, shall be void. These Standard Terms shall inure to the benefit of PLI and its successors and assigns. These Standard Terms supersede all other communications, negotiations and prior oral or written statements regarding the subject matter of these Standard Terms. No change, modification, rescission, discharge, abandonment, or waiver of these Standard Terms shall be binding upon PLI unless made in writing and signed on its behalf by a duly authorized representative of PLI. No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, or supplement these Standard Terms shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification or additional terms shall be applicable to the Contract by PLI's receipt, acknowledgment, or acceptance of purchase orders, shipping instruction forms, or other documentation containing terms at variance with or in addition to those set forth herein. Any such modifications or additional terms are specifically rejected and deemed a material alteration hereof. If this document shall be deemed an acceptance of a prior offer by Customer, such acceptance is expressly conditional upon Customer's assent to any additional or different terms set forth herein. No waiver by either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing and signed by the party to be bound. All typographical or clerical errors made by PLI in any quotation, acknowledgment or publication are subject to correction.
14. **Dispute Resolution; Governing Law.** Any determination, agreement or performance which is disputed or cannot be made, resolved or agreed within fourteen (14) days of the date requested by either Customer or PLI or such longer period for resolution as may be mutually agreed shall be submitted for resolution by the chief executive officers of Customer and PLI. It shall be a condition precedent to any subsequent proceeding that the dispute shall be submitted for resolution by such chief executive officers, but if those officers shall not reach a resolution within twenty-one (21) days of submittal to them, then the matter shall be finally settled by arbitration under the Rules of the American Arbitration Association by one or more arbitrators appointed in accordance with such Rules. The place of arbitration will be Clearwater, Florida. The contract between PLI and Customer and their respective performances shall be construed under and governed by the laws of the State of Florida; provided, however, no action, regardless of form or dispute resolution mechanism, arising out of transactions relating to the Contract, may be brought by either party more than two (2) years after the cause of action has accrued. The U.N. Convention on Contracts for the International Sales of Goods shall not apply to this these Standard Terms of the Contract.
15. **Definitions.** In these Standard Terms:
 - A. "Contract" means the contract between PLI and Customer for the supply of PLI Products which will comprise these Standard Terms, the limited warranties applicable to each PLI Product purchased by Customer, PLI's Proposal, any documents referred to in the Proposal as forming part of the contract, Customer's order and PLI's confirmation of that order (or Customer's unqualified acceptance of the Proposal);
 - B. "PLI Products" means the products and materials to be supplied to Customer by PLI under the Contract;
 - C. "Proposal" means PLI's written proposal or quotation to Customer for the supply of PLI Products;
 - D. "Customer" means the person identified as the purchaser of PLI Products in the Proposal and the Contract; and
 - E. "PLI" means Perma-Liner Industries, LLC.